
OLR Bill Analysis

sSB 967

AN ACT CONCERNING EXPENSES RELATING TO THE SALE OF NONPROFIT HOSPITALS.

SUMMARY:

By law, the attorney general can contract with experts or consultants when reviewing a proposal to approve the sale of a nonprofit hospital to a for-profit entity, including contracting with an outside entity to conduct the review. This bill increases, from \$300,000 to \$500,000, the amount the purchaser can be billed for these services.

EFFECTIVE DATE: Upon passage, and applicable to applications to approve such transactions filed on or after January 1, 2013.

BACKGROUND

Sale of Nonprofit Hospitals

By law, the public health commissioner and the attorney general must review and approve a nonprofit hospital's agreement to sell or otherwise transfer a material amount of its assets or operations or to change the control of its operations to a for-profit entity. The law sets out procedures and standards for the commissioner's and attorney general's review of such transactions. Any such agreement without the required approval is void (CGS §§ 19a-486 to -486h).

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 27 Nay 1 (04/01/2013)